

Technology Commercialization & Innovation Program (TCIP)

Policies and Procedures

July 1, 2015

I. Purpose & Scope

The purpose of the Technology Commercialization & Innovation Program (TCIP) is to accelerate the commercialization of promising technologies that have strategic value for Utah. The end goal of the TCIP Program is to help drive economic development and job creation in the state of Utah.

II. Policy

The Technology Commercialization & Innovation Program (former known as the Centers of Excellence Program) is a State funded GRANT program developed by the Utah Legislature in 1986 to help accelerate the process of taking university-developed innovative technologies to market, thereby driving economic development and creating jobs for Utahns.

Historically, the TCIP statute permitted grants only to technologies derived from Utah universities, however, in 2014 the Legislature passed and the Governor signed into law, changes to the TCIP statute to permit grants to both companies who license technology developed at Utah's colleges and universities, and small businesses, as defined by the Small Business Administration's industry definition, who are commercializing technology.

This document is intended to address policies needed to guide the administration of the TCI Program and is intended to supplement the TCIP Rules.

III. Reference

Title 63N Chapter 3 Part 2
R357-011

I. Definitions

Institution: A Utah college or university that is developing a technology.

Licensee: A Utah company that has licensed a technology from a Utah college or university.

University Team: A faculty-led technology project at an Institution.

Small Business: As defined by the Small Business Administration ([See Definition](#))

Small Business Innovation Research (SBIR): Federal program that encourages domestic small businesses to engage in Federal Research/Research and Development (R/R&D) that has the potential for commercialization.

Small Business Technology Transfer Research (STTR): Federal program designed to stimulate technological innovation, foster technology transfer through cooperative R&D between small businesses and research institutions and increase private sector commercialization of innovations derived from federal R&D.

Proposal: The commercialization and work plan outlined in an application.

Grant Awardee: An applicant whose proposal has been approved for TCIP funding.

Qualified Pre-screening Entity (for University teams or licensees): The TCO/TTO office at U of U, BYU, USU or USTAR.

Pre-screening Panel (for small businesses): The pre-screening panel will be made up of at least three members and may include Cluster Directors within the Governor's Office of Economic Development, USTAR affiliates, other State agencies and industry professionals capable of assessing new technology within specific areas. The Pre-screening Panel recommends grant applications to the TCIP Review Panel.

Business Team Consultant: an experienced technology executive, entrepreneur, or business person who:

- (a) is recruited by the office through a request for proposal process to work directly with a college or university in the Technology Commercialization and Innovation Program; and
- (b) works with the institution to facilitate the transition of its technology into industry by assisting the institution in developing strategies, including spin out strategies when appropriate, and go-to-market plans, and identifying and working with potential customers and partners.

TCIP Review Panel (for small businesses, University teams and licensees): The TCIP Review Panel is comprised of industry leaders, technologists and government experts with demonstrated knowledge in assessing new technologies and businesses. Panelists are selected by GOED.. The TCIP Review Panel makes Grant Awardee recommendations to the Executive Director of GOED.

II. Procedure

A. APPLICATION DATES

Timelines established for major activities in the TCIP Process are:

Pre Application period: Approximately 1 month

Application period: Approximately 1 month

In person presentation/review: Approximately 1 month after application period at a date and time established by the office

B. GRANT AMOUNTS

Grants are up to \$100,000 per technology per funding round. An Applicant may apply for a TCIP grant up to three times for a specific new technology. Specific technologies may only receive up to \$200,000 in TCIP grants over the life of the technology. Only one technology per applicant or entity will be reviewed per funding round.

C. WEB PORTAL FOR ON-LINE APPLICATIONS

The TCIP program employs a web interface to accept Pre-Applications and applications on-line. This web portal is linked to a Salesforce database that collects and stores data from applicants. The application process has been modified to accommodate recent legislative changes that allow for small businesses to receive TCIP funding. This requires an additional screening portal to assess eligibility based on the Small Business Administration's Definition of "small business", which are based on either revenue or number of employees. A list of information requested in the Application can be found in Appendix A.

D. PRE-APPLICATION PROCESS

GOED has established a Pre-Application process. The purpose of this process is to screen for eligibility and to determine the number and nature technologies that are anticipated in the Review Process. Using this information, GOED will recruit members of the local community that will comprise the TCIP Review Panel.

E. APPLICATION PROCESS

The TCIP will perform a high-level overview of each application to ensure that it is in compliance and meets the minimum standards. Applicant will be notified via email of any adjustments that need to be made to the application stemming from this initial review, and will thereafter have 72 hours within which to make the necessary changes and resubmit their application. Failure to re-submit mandatory changes will disqualify the application from eligibility for that application round. Applications that are not considered consistent with the intent of the TCIP Program may not be recommended for presentations to the TCIP Review Panel. A 10-slide PowerPoint Presentation is required to be submitted with your application. If your application is accepted, these slides should be used during your in-person presentation. A 2-slide summary of your application is also required and must accompany the application. Please use the templates provided. Formatting, font, color, etc. must remain the same. Applicants may also upload a maximum of 2 letters of recommendation to support their application. Do not submit any additional documentation with the application. The complete application packet includes:

- a) Online Application
- b) 10-slide Presentation Template
- c) 2-slide Summary Template
- d) Optional letters of recommendation (2 maximum)

F. REVIEW PROCESS

The Pre-Screening Review Panel will perform an in-depth review of submitted applications from Small Businesses. Those that do not meet the intention of the TCIP will not be recommended to

present to the TCIP Review Panel. If this occurs, the Applicant will be notified on writing of the reason(s) for this rejection.

The TCIP Review Panel is assembled by the GOED staff. Panelists are allowed to review recommended grant applications at least 10 days in advance of in-person presentations.

G. Criteria used to determine grant awardees: The following criteria are used as the basis for recommending an applicant's proposal for funding:

1. Quality, diversity, and number of jobs in Utah (i.e. average salary, benefits etc)
 - a. This includes potential economic impact to the State
2. Quality of management and leadership, including experience in startups or commercialization
3. Strength of the company's technology and potential for commercialization
 - a. timeframe for commercialization is approximately 24-36 months
4. Size and growth of the market for the proposed technology
5. Company's ability to sell and market the technology and credibility of their "go-to-market" strategy
 - a. This include an evaluation of the business plan
6. Strength of the company's overall value proposition and competitive advantage

H. In-person presentation: Applicants will be required to give a 10-minute in-person presentation of their proposal to the TCIP Review Council. This presentation typically takes place within three weeks after the close of the solicitation. A planned date is shown on the first page of this solicitation; however, applicants will be notified via email of the confirmed date, time and venue of the presentation. There are no alternative dates, but the applicants may send a representative to present their proposal, except for persons associated with a pre-screening entity. Within two weeks following the reviews, applicants will be notified whether or not they were awarded a TCIP grant.

I. Use of Funds: Use of funds must be detailed in the application, and proof expenses may be required. The TCIP allows for a broad use of the grant funds including but not limited to: prototyping, testing, marketing, travel expenses to trade shows, etc. TCIP grant funds must be used to develop/commercialize the proposed technology.

J. Milestones: The TCIP may consider the acquisition of matching funds to be a first milestone. Applicants are required to outline three to five additional milestones in their application.

K. Completing & Submitting the TCIP grant application: Applications must be submitted by the deadline shown on the front page of this solicitation. Please note that late applications will not be accepted.

L. CONTRACTS

As specified in [Rules R357-11-7 (1) a. An applicant who is awarded a TCIP grant must sign a contract with the State of Utah prior to receiving any funds.

M. Agreement: Links to a sample Licensee and University Agreement can be found at the end of this document. After the grant awardee signs and returns the agreement to the State, it is then processed and the grant awardee may thereafter submit an invoice to the State for the funds.

N. **Disbursement of funds:** The TCIP grant funds will be disbursed as follows:

First payment: Up to 75% of grant funds.

Second Payment: Remaining balance will be paid upon completion of additional milestones as outlined in grant recipient's proposal and approved by the office, upon Review Panel recommendations, upon completion of an approved curriculum taught by an approved Business Team Consultant, or any combination of the aforementioned criteria.

O. **AMENDMENTS TO THE CONTRACT:** If the TCIP Recipient has a legitimate reason to amend the contract, a written request should be submitted to the Director of the TCIP Program.

P. **PROPRIETARY INFORMATION/CONFIDENTIALITY AGREEMENTS**

(GRAMA): Site visitors representing the program will sign the standard non-disclosure agreements. The program will protect proprietary information submitted to the extent possible. See GRAMA information.

(<http://www.archives.state.us.us/recmanag/grama95.htm>)